

Fee for Service Rate Methodology Workgroup

MEETING NOTES

Date: May 23, 2006 (Tuesday)
Time: 1:00 p.m. – 3:00 p.m.
Where: Capitol Common - Conference Room E
400 S. Pine
Lansing, MI 48933
Attendees: Lynn Borck, Michael DeVault, Bruce Elkins, Bud Ferguson, Jan Frederick, Toni Hornberger, Sean Huse, Ed Kemp, Terry Latimer, Maryann Lorkowski, Deb Marshall, Kathy Merry, Pam O'Farrell, Liz Patrick, Susan Powell, Jane Reagan, Jeff Siegel, Michelle Simmons, Carol Sink, Linda Sowle, Dave Stirdivant, Toni Sturgis
Handouts: CMS Conference Call Notes
Draft CMS Response Document
Attorney General Provider Equivalency Draft

Highlighted areas are tasks to be completed prior to next meeting.

➤ **CMS Conference Call Update**

- The workgroup was given minutes and updated on the major points of the CMS conference call held 5/9/06.
 - ♦ CMS is unsure if they will allow the aggregate cost settled methodology. They now feel that possibly claims or encounter data should go through MMIS.
 - ♦ CMS does not agree with the cost settled aggregate for transportation services either. They would like a per one-way trip rate methodology calculated.
 - ♦ CMS wants only the costs that are medically related included in the cost base
 - ♦ CMS is still refusing to include the direct administrative costs that are not built into the Cognizant agency indirect cost rate.

➤ **Reimbursement Methodology Update**

- The initial clarification document was sent to Julie Greenway to forward on the Regional and Central Office CMS vial mail on 4/11/06 and a follow-up electronic copy was sent 4/14/06. We are now finalizing the second clarification response. **Sent to CMS 6/1/06.**
- MDCH will continue to work on the coverage and transportation sections as well as the provider equivalency memo while we await response from CMS on the reimbursement language.
- Per Jeff Siegel and Mike DeVault the modifications to the SE-4096 should be no problem.
- It was decided for the professional costs under function codes 122 & 218 we will include only the costs in column 3 (Salaries) and column 4 (Benefits).

➤ **Transportation Methodology Update**

- CMS does not like the aggregate transportation methodology.
- **MDCH and the workgroup will work on developing a per trip reimbursement methodology.**

➤ **LEANet Conference Update**

- Jane Reagan gave an overview of the LEANet Conference held in Baltimore on May 5, 2006.
- A bill is being introduced by Senators Kennedy and Alexander that would guarantee the ability of schools to bill for certain Medicaid administrative and transportation services.
- Members of the LEA net were encouraged to contact their congressional representatives with support for the program.
- 18 states were represented by 120 participants
- AASA (American Association of School Administrators) did a presentation of legislative issues.
- Representatives from Michigan had brochures and presented the Michigan plan.

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➤ **Draft Provider Equivalency Document**

- The draft of the Provider Equivalency memo was sent out to the workgroup for comment. Comments are due back to MDCH by close of business June 8, 2006.

➤ **FERPA Update**

- Jane Reagan indicated that the Department of Education AG is still reviewing.
- At this point this item is off of the pending list as there will be no further action from MDCH.
- MDCH management and Office of Legal Affairs have made the decision that Medicaid is compliant with HIPPA regulations and that any compliance issues are related to FERPA and as such the responsibility of the Department of Education and the schools.

➤ **Medicaid ICR Update**

- Liz Patrick will check on this for the next meeting.

➤ **NPI Update**

- Providers can start applying for their NPI (National Provider Identifier) numbers.
- The ISDs will have to get an NPI, whether they require their LEA clinicians to also enumerate is up to the ISD.

➤ **Action Items**

- Provider Equivalency feedback
- FERPA – this issue is closed. Any resolution will be the responsibility of MDE and the schools.
- Send out justification for cost settled methodology
- Waiting for billing clarification response from CMS
- Coverage language draft needs to go out for comment
- NPI Update
- Eligibility process
- Documentation requirements

➤ **Next meetings:**

- June 20, 2006 1:00-3:00
- July 25, 2006 1:00-3:00
- August 22, 2006 1:00-3:00
- September 19, 2006 1:00-
- October 24, 2006 1:00-3:00
- November 28, 2006 1:00-3:00